

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

IN RE:

Harlan L. Rosendahl and
Connie I. Rosendahl,

Debtors.

NOTICE AND MOTION TO
CONVEY REAL ESTATE

BKY 04-42758

TO: MICHAEL J. FARRELL, CHAPTER 13 TRUSTEE, and other parties in interest.

Harlan and Connie Rosendahl, Debtors, through their attorney, move the Court for the relief requested below and give notice of hearing herewith.

1. The Court will hold a hearing on this motion at 9:30 a.m. on October 20, 2004, Courtroom 8 West, United States Courthouse, Minneapolis, Minnesota, or as soon thereafter as counsel can be heard.

2. Any objection to the relief requested herein must be filed and personally served by October 13, 2004, which is five days before the time set for the hearing, excluding Saturdays, Sundays, and holidays, or filed and served by October 8, 2004, which is eight days before the time set for the hearing, excluding Saturdays, Sundays, and holidays.

3. This motion is filed pursuant to Fed. R. Bankr. P. 2002 and 6004 and 11 U.S.C. §363(b) and §1303; Debtors request the Court for an order authorizing the conveyance of non-exempt real estate and application of sale proceeds to Debtors' Chapter 13 plan. The petition commencing this case was filed on May 14, 2004. This proceeding is a core proceeding. This Court has jurisdiction pursuant to 28 U.S.C. §§157 and 1334. The case is now pending in this Court.

4. At the time of their Chapter 13 filing, Connie Rosendahl jointly owned with two other family members non-homestead real estate located in Kanabec County, Minnesota, as more fully described in the attached Exhibit A.

5. Debtors and the other joint owners have received a purchase offer from Paul Belkholm, Inc. for \$422,972.00, cash. See Exhibit B. Debtors believe that the sale price is reasonable in view of the present real estate market, the condition of the property, and the prospect of a cash sale. According to the preliminary closing statement prepared by Registered Abstracters, Inc., Connie Rosendahl's share of the sale proceeds, after allowance for realtor fees and other closing costs, is estimated at \$131,335.70. See Exhibit C.

6. Sale of the property and application of sale proceeds to Debtors' Chapter 13 plan will allow all unsecured and priority creditors to be paid in full through Debtors' Chapter 13 plan.

WHEREFORE, Debtors move the Court for an order authorizing them to convey all of their interest in the above-described real estate to Paul Belkholm, Inc., and for such other relief as is just and equitable.

/e/ Ian Traquair Ball

Ian Traquair Ball #4285
Attorney for Debtors
326 Plymouth Building
12 South Sixth Street
Minneapolis, MN 55402

Dated: September 28, 2004

VERIFICATION

We, Harlan and Connie Rosendahl, Debtors in the above Chapter 13 proceeding, declare under penalty of perjury that the foregoing is true and correct to the best of our knowledge, information, and belief.

Harlan L. Rosendahl

Connie L. Rosendahl

Dated: 9/22/04

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

IN RE:

Harlan L. Rosendahl and
and Connie I. Rosendahl,

Debtors.

DEBTORS' MEMORANDUM
OF LAW

BKY 04-42758

Harlan and Connie Rosendahl, Debtors, submit this memorandum of law in support of their motion for authorization to convey real estate.

At the time of their Chapter 13 filing, Connie Rosendahl owned with two other family members approximately 192 acres of farm land located in Kanabec County, Minnesota. The owners have received an offer of purchase from Paul Belkholm, Inc. in the amount of \$422,972.00 (Exhibit B). A preliminary closing estimate prepared by Registered Abstracters, Inc. estimates that Connie Rosendahl's share from the sale will be \$131,335.70. (Exhibit C.) To date only \$54,880 in unsecured claims have been filed with the bankruptcy court; the claim filing deadline for unsecured non-governmental claims is October 5, 2004. It appears that there will be sufficient funds to pay all timely filed claims in full. Because the real estate is non-homestead, an order approving the sale is necessary.

ARGUMENT

Subject to any limitations on a trustee under Chapter 13 of the Bankruptcy Code, a Chapter 13 debtor has, pursuant to 11 U.S.C. §1303, exclusive of the trustee, the rights and powers of a trustee under 11 U.S.C. §363(b). §363(b) provides for sale of property of the estate after notice of hearing, pursuant to Bankruptcy Rules 2002 and 6004. Sale of the property will allow all timely-filed claims to be paid in full in this case, and will not

materially affect the rights of any other creditor.

For the above reasons, Debtors' request for an order from this Court authorizing the sale of the debtor's interest in the Kanabec County, Minnesota real estate and directing the closing agent to forward the debtors' share of the proceeds, after allowance for sale costs, to the Chapter 13 trustee.

/e/ Ian Traquair Ball

Ian Traquair Ball #4285
Attorney for Debtors
326 Plymouth Building
12 South Sixth Street
Minneapolis, MN 55402
Tel: (612) 338-1313

Dated: September 28, 2004

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

**CERTIFICATE OF
SERVICE**

Harlan L. Rosendahl and
Connie L. Rosendahl,

BKY 04-42758

Debtor(s).

I, Brenda Greenhalgh, declare under penalty of perjury that on September 29, 2004, I mailed copies of the foregoing Notice and Motion to Convery Real Estate to each entity named below at the stated addresses.

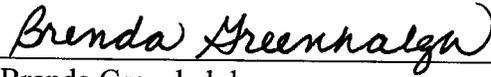
Michael J. Farrell
Chapter 13 Trustee
P.O. Box 519
Barnesville, MN 56514

United States Trustee
1015 US Courthouse
300 South 4th Street
Minneapolis MN 55415

Harlan L. Rosendahl
Connie L. Rosendahl
1822 Meadowvale Rd., NW, Unit 11
Elk River, MN 55330

SEE ATTACHED LIST

Dated: September 29, 2004



Brenda Greenhalgh

AAA FINANCIAL
PO BOX 15137
WILMINGTON DE 19886

FIRST NATL BANK OMAHA
PO BOX 2951
OMAHA NE 68103 2951

ADVANTA
PO BOX 30715
SALT LK CITY UT 84103 0715

PAT HEYING
18069 87TH AVE N
MAPLE GROVE MN 55311

AFFINITY PLUS FEDERAL
CREDIT UNION
A152 ATWOOD MEMORIAL
ST CLOUD MN 56301

BANK ONE
CARDMEMBER SERVICES
PO BOX 94014
PALATINE IL 60094 4014

CAPITAL ONE
PO BOX 34631
SEATTLE WA 98124 1631

CITICARD
PO BOX 6409
THE LAKES NV 88901

COUNTRYWIDE HOME LOANS
PO BOX 660694
DALLAS TX 75266

DISCOVER
PO BOX 30395
SALT LK CITY UT 84130 0395

ELAN FINANCIAL
PO BOX 790408
ST LOUIS MO 63179 0408

EXHIBIT A

The Northeast Quarter of Section 2, Township 38, Range 24, Kanabec County, Minnesota, except the North 660 feet of the West 660 feet of the Northwest Quarter of the Northeast Quarter of Section 2, Township 38, Range 24 AND the South Half of Southeast Quarter of Section 35, Township 39, Range 24, Kanabec County, Minnesota, excepting therefrom the following tracts:

PARCEL 1: That part of the Southwest Quarter of the Southeast Quarter of Section 35, Township 39, Range 24, described as follows: Commencing at a point where the North line of said Southwest Quarter of Southeast Quarter intersects the Easterly right-of-way line of Trunk Highway 65, thence South along said Easterly right-of-way line a distance of 247.5 feet, thence East and parallel with the North line of said Southwest Quarter of Southeast Quarter a distance of 264 feet to the point of beginning of the tract to be herein conveyed, thence continuing East along the same course a distance of 150 feet, thence South and parallel to the Easterly right-of-way line of Trunk Highway 65 a distance of 207 feet, thence West and parallel to the North line of said Southwest Quarter of the Southeast a distance of 150 feet, more or less, to a point on a line passing through the point of beginning and lying parallel to the East right-of-way line of Trunk Highway Highway 65, thence North along said last line to the point of beginning.

PARCEL 2: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the East right-of-way line of Trunk Highway #65, thence running East along the North line of said forty a distance of 12 rods for the point of beginning of the tract to be hereby conveyed, thence continuing East along the North line of said forty a distance of 12 rods, thence running South, parallel to the East right-of-way line of trunk highway #65 a distance of 15 rods, thence running West, parallel with the North line of said forty a distance of 12 rods to a point 12 rods East of the East right-of-way line of Trunk Highway #65, thence running North, parallel with the East right-of-way line of Trunk Highway #65 to the point of beginning, said tract being a part of the Southwest Quarter of the Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota.

PARCEL 3: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter of Section 35, Township 39, Range 24, intersects the East right-of-way line of Trunk Highway #65 for the point of beginning, thence East along said North right-of-way line a distance of 12 rods, thence South, parallel with said East right-of-way line a distance of 15 rods, thence West, parallel with the North line of said Southwest Quarter of Southeast Quarter a distance of 12 rods to the East right-of-way line of said Trunk Highway #65, thence North along the East right-of-way line of said Trunk Highway #65 to the point of beginning, said tract being part of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24.

PARCEL 4: Starting at a point on the North line of the South Half of Southeast Quarter of Section 35, Township 39, Range 24, which said point is 1287 feet East of the point where said North line intersects the Easterly limit of the right-of-way of Trunk Highway 65 as the same is now located and established, thence East along said North line a distance of 1252 feet, more or less, to the East line of the aforesaid Section 35, thence South along said section line a distance of 495 feet, thence West and parallel with the North line of the aforesaid South Half of Southeast Quarter to a point which is directly South of the point of beginning, thence North in a straight line to the place of beginning, except the West 264 feet of the East 760 feet of the above-described tract.

PARCEL 5: That part of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, described as follows: Starting at a point where the North line of said Southwest Quarter of Southeast Quarter intersects the East right-of-way line of Trunk Highway 65, thence running East along the North line of said forty a distance of 54 rods to the point of beginning of the tract to be herein conveyed, thence continuing East along the North line of said forty a distance of 24 rods, thence South and parallel with the East right-of-way line of said Trunk Highway 65 a distance of 22 rods, thence West a parallel with the North line of said forty a distance of 42 rods to a point 36 rods East of the East right-of-way line of Trunk Highway 65, thence North and parallel to the East right-of-way line of Trunk Highway 65 a distance of 7 rods, thence East, parallel to the North line of said forty a distance of 18 rods to a point 54 rods East of the East right-of-way line of Trunk Highway 65, thence North and parallel with the East right-of-way line of Trunk Highway 65 a distance of 15 rods to the point of beginning.

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EXHIBIT A

(Continued)

PARCEL 6: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the East right-of-way line of Trunk Highway #65, thence running East along the North line of said forty a distance of 36 rods for the point of beginning of the tract to be hereby conveyed, thence continuing East along the North line of said forty a distance of 18 rods, thence running South, parallel with the East right-of-way line of said Trunk Highway #65 a distance of 15 rods, thence running West, parallel to the North line of said forty a distance of 18 rods to a point 36 rods East of the East right-of-way line of Trunk Highway #65, thence running North parallel with the East right-of-way line of Trunk Highway #65 to the point of beginning, said tract being a part of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota.

PARCEL 7: Part of the Southwest Quarter of Southeast Quarter of Section 35, Township 39, Range 24, Kanabec County, Minnesota, described as follows: Commencing at a point where the North line of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the Easterly right-of-way line of Trunk Highway #65, thence South along the Easterly right-of-way line of said Trunk Highway #65 a distance of 355 feet to the point of beginning of the property to be herein described, thence North along said Easterly right-of-way line a distance of 107.5 feet, thence East and parallel with the North line of said Southwest Quarter of Southeast Quarter a distance of 264 feet, thence South and parallel to the East right-of-way line a distance of 107.5 feet, thence West 264 feet, more or less, to the point of beginning and there terminating.

PARCEL 8: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the East right-of-way line of Trunk Highway 65, then South along said East right-of-way line 355 feet to the point of beginning of property to be herein described, then continuing South along said East right-of-way line 247 feet, then East and parallel with North line of said Southwest Quarter of Southeast Quarter a distance of 264 feet, thence North and parallel to said East right-of-way line a distance of 247 feet, then straight West 264 feet to point of beginning.

PARCEL 9: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter of Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the East right-of-way line of Trunk Highway 65, thence running East along the North line of said forty a distance of 24 rods, thence South and parallel to the East right-of-way line of said Trunk Highway 65 a distance of 15 rods for the point of beginning of the tract to be herein conveyed, thence continuing South and parallel to the East right-of-way line of said Trunk Highway 65 a distance of seven rods, thence running East and parallel to the North line of said forty 12 rods, thence North and parallel to the East right-of-way line of Trunk Highway 65 seven rods, thence West to the point of beginning, said tract being a part of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota.

PARCEL 10: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the East right-of-way line of Trunk Highway #65, thence running East along the North line of said forty a distance of 24 rods for the point of beginning of the tract to be hereby conveyed, thence continuing East along the North line of said forty a distance of 12 rods, thence running South, parallel with the East right-of-way line of said Trunk Highway #65 a distance of 15 rods, thence running West, parallel to the North line of said forty a distance of 12 rods to a point 24 rods East of the East right-of-way line of Trunk Highway #65, thence running North, parallel with the East right of way line of Trunk Highway #65 to the point of beginning, said tract being a part of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota.

PARCEL 11: Beginning at the Northwest corner of the Southwest Quarter of Southeast Quarter of Section 35, Township 39, Range 24, thence South along the West line of said forty a distance of 8 1/4 feet, thence East and parallel to the North line of said forty a distance of 80 rods, thence North 8 1/4 feet, and thence West 80 rods to the place of beginning, said tract being a part of the Southwest Quarter of Southeast Quarter of Section 35, Township 39, Range 24.

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EXHIBIT A

(Continued)

PARCEL 12: Starting at a point on the North line of the South Half of Southeast Quarter of Section 35, Township 39, Range 24, which said point is 1777 feet East of the point where said North line intersects the Easterly limit of the right-of-way of Trunk Highway 65 as the same is now located and established, thence East along said North line a distance of 264 feet, thence South and parallel with the East line of the aforesaid Section 35 a distance of 495 feet, thence West and parallel with the North line of the aforesaid South Half of Southeast Quarter a distance of 264 feet, thence North in a straight line to the point of beginning, said tract being a part of the Southeast Quarter of Southeast Quarter of Section 35, Township 39, Range 24.



PURCHASE AGREEMENT

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- 1. Date June 9, 2004
2. Page 1 of

3. RECEIVED OF Paul Belkholm, Inc.

4.
5. the sum of Five thousand non-refundable Dollars (\$5,000.00)

6. by CHECK / CASH / NOTE as earnest money to be deposited upon acceptance of Purchase Agreement by all parties, on or
7. before the third business day after acceptance, in the trust account of listing broker but to be returned to Buyer if Purchase
8. Agreement is not accepted by Seller. Said earnest money is part payment for the purchase of the property located at:

9. Street Address: XXX Hwy 65 S
10. City of Mora County of Kanabec State of Minnesota,

11. Legally described as: Lengthly to conform to MLS # 2268963

12.
13. Including all fixtures on the following property, if any, owned by Seller and used and located on said property, including but not limited to: garden bulbs,
14. plants, shrubs and trees; storm sash, storm doors, screens and awnings; window shades, blinds, traverse and curtain and drapery rods; attached
15. lighting fixtures and bulbs; plumbing fixtures, water heater, heating plants (with any burners, tanks, stokers and other equipment used in
16. connection therewith), built-in air-conditioning equipment, electronic air filter, water softener OWNED / RENTED / NONE built-in

17. humidifier and dehumidifier, liquid gas tank and controls (if the property of Seller), sump pump; attached television antenna, cable TV jacks and
18. wiring; BUILT-INS: dishwashers, garbage disposals, trash compactors, ovens, cook-top stoves, microwave ovens, hood fans, intercoms;
19. ATTACHED: carpeting; mirrors; garage door openers and all controls; smoke detectors; fireplace screens, doors and heatilators; AND: the following
20. personal property: NONE

21.
22.

23. all of which property Seller has this day agreed to sell to Buyer for sum of (\$ 422,972.00)
24. Four hundred twenty two thousand ninehundred and seventy two Dollars,

25. which Buyer agrees to pay in the following manner: earnest money of \$ 5,000.00
26. and \$ 0.00 cash on September 30, 2004, the date of closing, and

27. the balance of \$ 417,972.00 by financing in accordance with the attached Addendum:
28. Conventional / FHA / DVA / Assumption / Contract for Deed / Purchase Money Mortgage / (Other) Cash

29. This Purchase Agreement IS / IS NOT subject to a Contingency Addendum for sale of Buyer's property. (If answer is IS, see attached Addendum.)
30. (If answer is IS NOT, the closing of Buyer's property, if any, may still affect Buyer's ability to obtain financing, if financing is applicable.)

31. This Purchase Agreement IS / IS NOT subject to cancellation of a previously written Purchase Agreement dated
32. (If answer is IS, said cancellation shall be obtained no later than, 20. If said cancellation is not obtained
33. by said date, this Purchase Agreement shall become null and void. Buyer and Seller shall immediately sign a Cancellation of Purchase Agreement
34. directing all earnest money paid hereunder to be refunded to Buyer.)

35. This Purchase Agreement IS / IS NOT subject to a Vacant Land Addendum. (If answer is IS, see attached Addendum.)

36. Buyer has been made aware of the availability of property inspections. Buyer Elects / Declines to have a property inspection performed at Buyer's expense.

37. This Purchase Agreement IS / IS NOT subject to an Inspection Addendum. (If answer is IS, see attached Addendum.)

38. DEED/MARKETABLE TITLE: Upon performance by Buyer, Seller shall deliver a Warranty Deed / Other: Deed

39. joined in by spouse, if any, conveying marketable title, subject to:
40. (A) building and zoning laws, ordinances, state and federal regulations; (B) restrictions relating to use or improvement of the
41. property without effective forfeiture provisions; (C) reservation of any mineral rights by the State of Minnesota; (D) utility and
42. drainage easements which do not interfere with existing improvements; (E) rights of tenants as follows (unless specified, not
43. subject to tenancies); release of current lease by date of closing
44. (F) others (must be specified in writing);

45. BUYER SHALL PAY / SELLER SHALL PAY on date of closing any deferred real estate taxes (e.g., Green Acres, etc.) or special
46. assessments, payment of which is required as a result of the closing of this sale.

47. BUYER AND SELLER SHALL PRORATE AS OF THE DATE OF CLOSING / SELLER SHALL PAY ON DATE OF CLOSING all installments
48. of special assessments certified for payment with the real estate taxes due and payable in the year of closing.

49. BUYER SHALL ASSUME / SELLER SHALL PAY on date of closing all other special assessments levied as of the date of this Agreement.

50. BUYER SHALL ASSUME / SELLER SHALL PROVIDE FOR PAYMENT OF special assessments pending as of the date of this Agreement

51. for improvements that have been ordered by any assessing authorities. (Seller's provision for payment shall be by
52. payment into escrow of two (2) times the estimated amount of the assessments or less, as required by Buyer's lender.)

53. Buyer shall pay any unpaid special assessments payable in the year following closing and thereafter, the payment of which is not otherwise
54. herein provided.

55. As of the date of this Agreement, Seller represents that Seller HAS / HAS NOT received a notice regarding any new improvement

56. project from any assessing authorities, the costs of which project may be assessed against the property. Any such notice
57. received by Seller after the date of this Agreement and before closing will be provided to Buyer immediately. If notice of a pending
58. special assessment is issued after the date of this Agreement and on or before the date of closing, then the parties may agree in writing, on or before the
59. date of closing, to pay, provide for the payment of, or assume the special assessments. In the absence of such agreement, either party may
60. unilaterally pay, provide for the payment of, or assume such special assessments. In the absence of said agreement, or said unilateral election, either
61. party may declare this Purchase Agreement null and void. Buyer and Seller shall immediately sign a Cancellation of Purchase Agreement directing all
62. earnest money paid hereunder to be refunded to Buyer.

Handwritten signatures and initials at the bottom of the page.



**VACANT LAND
DISCLOSURE STATEMENT**

This form approved by the Minnesota Association of REALTORS®, which disclaims any liability arising out of use or misuse of this form ©2002, Minnesota Association of REALTORS®, Edina, MN

1. Date MAY 21 2004
2. Page 1 of 2 Pages

- 3. **THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF THE SELLER'S KNOWLEDGE.**
- 4. **NOTICE:** This disclosure is not a warranty or a guaranty of any kind by the Seller(s) or licensee(s) representing or assisting any party(s) in the transaction.
- 5. **INSTRUCTIONS TO THE BUYER:** Buyers are encouraged to thoroughly inspect the property personally or have it inspected by a third party, and to inquire about any specific areas of concern. NOTE: If Seller answers NO to any of the questions listed below, it does not necessarily mean that it does not exist on the property. NO may mean that the Seller is unaware that it exists on the property.
- 6.
- 7.
- 8. **INSTRUCTIONS TO THE SELLER:** Complete this form truthfully.

Handwritten signatures and initials:
PBI / cer
KE
R
RJR

PURCHASE AGREEMENT
63. Page 2

- 64. **TITLE & EXAMINATION:** Within a reasonable time after acceptance of this Agreement, Seller shall provide evidence of title, which shall include proper searches covering bankruptcies, state and federal judgments and liens and levied and pending Special Assessments to Buyer or Buyer's designated title service provider, as follows:
- 65. If property is abstract, Seller shall provide either (1) a commitment for an owner's policy of title insurance on a current ALTA form issued by an insurer licensed to write title insurance in Minnesota. Seller shall pay the cost of an owner's policy, including the additional cost of obtaining a simultaneously issued owner's policy if a lender's policy is obtained; or
- 66. Seller shall pay the premium and the title examination fee for the lender's policy; or (2) an abstract of title certified to date. Seller shall pay for all abstracting fees and surrender any abstract in Seller's possession or control to Buyer at closing.
- 67. If property is Torrens, Seller shall provide, at Buyer's option and request, either (1) a Registered Property Abstract (RPA) certified to date; or (2) a commitment for an owner's policy of title insurance on a current ALTA form issued by an insurer licensed to write title insurance in Minnesota. Seller shall be responsible to pay, under either option, those costs necessary to prepare the RPA or commitment. Buyer shall, at Buyer's option, pay for either the Attorney's Opinion or the title insurance premium and examination fee.
- 68. Seller shall use Seller's best efforts to provide marketable title by the date of closing. In the event Seller has not provided marketable title by the date of closing, Seller shall have an additional 30 days to make title marketable or, the alternative, Buyer may waive title defects by written notice to Seller. In addition to the 30-day extension, Buyer and Seller may by mutual agreement further extend the closing date. Lacking such extension, either party may declare this Purchase Agreement null and void; neither party shall be liable for damages hereunder to the other.
- 69. Buyer and Seller shall immediately sign a Cancellation of Purchase Agreement directing all earnest money paid hereunder to be refunded to Buyer.
- 70. **SUBDIVISION OF LAND:** If this sale constitutes or requires a subdivision of land owned by Seller, Seller shall pay all subdivision expenses and obtain all necessary governmental approvals. Seller warrants that the legal description of the real property to be conveyed has been or will be approved for recording as of the date of closing. Seller warrants that the buildings are or will be constructed entirely within the boundary lines of the property. Seller warrants that there is a right of access to the property from a public right-of-way. These warranties shall survive the delivery of the deed or contract for deed.
- 71. Seller warrants that prior to the closing, payment in full will have been made for all labor, materials, machinery, fixtures or tools furnished within the 120 days immediately preceding the closing in connection with construction, alteration or repair of any structure on, or improvement to, the property.
- 72. Seller warrants that Seller has not received any notice from any governmental authority as to condemnation proceedings, violation of any law, ordinance or regulation. If the property is subject to restrictive covenants, Seller warrants that Seller has not received any notice from any person or authority as to a breach of the covenants. Any such notices received by Seller will be provided to Buyer immediately.
- 73. Seller agrees to allow reasonable access to the property for performance of any surveys or inspections agreed to herein.
- 74. **RISK OF LOSS:** If there is any loss or damage to the property between the date hereof and the date of closing for any reason, including fire, vandalism, flood, earthquake or act of God, the risk of loss shall be on Seller. If the property is destroyed or substantially damaged before the closing date, this Purchase Agreement shall become null and void, at Buyer's option, Buyer and Seller shall immediately sign a Cancellation of Purchase Agreement directing all earnest money paid hereunder to be refunded to Buyer.
- 75. **TIME OF ESSENCE:** Time is of the essence in this Purchase Agreement.
- 76. **ENTIRE AGREEMENT:** This Purchase Agreement, any attached exhibits and any addenda or amendments signed by the parties shall constitute the entire agreement between Seller and Buyer and supersedes any other written or oral agreements between Seller and Buyer. This Purchase Agreement can be modified or canceled only in writing signed by Seller and Buyer or by operation of law. All monetary sums are deemed to be United States currency for purposes of this agreement. Buyer or Seller may be required to pay certain closing costs which may effectively reduce the proceeds from the sale or increase the cash outlay at closing.
- 77. **ACCEPTANCE:** Buyer understands and agrees that this Purchase Agreement is subject to acceptance by Seller in writing. The delivery of all papers and monies shall be made at the listing broker's office.
- 78. **DEFAULT:** If Buyer defaults in any of the agreements herein, Seller may terminate this Purchase Agreement and payments made hereunder may be retained by Seller as liquidated damages. If this Purchase Agreement is not so terminated, Buyer or Seller may seek actual damages for breach of this Agreement or specific performance of this Agreement; and, as to specific performance, such action must be commenced within six (6) months after such right of action arises.
- 79. **NOTICE REGARDING PREDATORY OFFENDER INFORMATION:** Information regarding the predatory offender registry and persons registered with the predatory offender registry under MN Statute, 243.162, may be obtained by contacting the local law enforcement offices in the community where the property is located, or the Minnesota Department of Corrections at (561) 642-0200, or from the Department of Corrections Web site at www.dcor.state.mn.us.

MIN-PA-2 (10/03)

122. Address XXX Hwy 63 South, Mora, MN 55081
122. Page 2 Date June 9, 2004

PURCHASE AGREEMENT

- 124. Buyer shall pay PRORATED FROM DAY OF CLOSING 12th / ALL / NONE real estate taxes due and payable in the year 04
- 125. Seller shall pay PRORATED TO DAY OF CLOSING 12th / ALL / NONE real estate taxes due and payable in the year 04
- 126. closing date is changed, the real estate taxes paid shall, if prorated, be adjusted to the new closing date. Seller warrants taxes due
- 127. payable in the year 2004 will be FULL / PART / NONE homestead classification. If part- or non-homestead classification is changed
- 128. Seller agrees to pay Buyer at closing \$
- 129. toward the non-homestead real estate taxes. Buyer agrees to pay any remaining balance of non-homestead taxes when they are
- 130. due and payable. Buyer shall pay real estate taxes due and payable in the year following closing and thereafter, the payment of which
- 131. not otherwise herein provided. No representations are made concerning the amount of subsequent real estate taxes
- 132. **POSSESSION:** Seller shall deliver possession of the property not later than Immediately after closing
- 133. All interest, homeowner's association dues, rents and all charges for city water, city sewer, electricity and natural gas shall be prorated
- 134. between the parties as of date of closing. Buyer shall pay Seller for remaining gallons of fuel oil or liquid petroleum gas on the date
- 135. closing, at the rate of the last fill by Seller. Seller agrees to remove ALL DEBRIS AND ALL PERSONAL PROPERTY NOT INCLUDED
- 136. HEREIN from the property by possession date.
- 137. **ENVIRONMENTAL CONCERNS:** To the best of Seller's knowledge, there are no hazardous substances or underground storage
- 138. tanks except heretofore noted;
- 139.

- 140. SELLER WARRANTS THAT THE PROPERTY IS EITHER DIRECTLY OR INDIRECTLY CONNECTED TO:
- 141. CITY SEWER YES NO / CITY WATER YES NO
- 142. SELLER / BUYER AGREES TO PROVIDE WATER QUALITY TEST RESULTS IF REQUIRED BY GOVERNING AUTHORITY AND/OR LENDER
- 143. SELLER / BUYER AGREES TO PROVIDE, IF REQUIRED BY THE TERMS OF THIS PURCHASE AGREEMENT OR BY GOVERNING
- 144. AUTHORITY AND/OR LENDER, A LICENSED INSPECTOR'S SEPTIC SYSTEM INSPECTION REPORT OR NOTICE INDICATING
- 145. THE SYSTEM COMPLIES WITH APPLICABLE REGULATIONS. NOTICE: A VALID CERTIFICATE OF COMPLIANCE FOR THIS
- 146. SYSTEM MAY SATISFY THIS OBLIGATION. NOTHING IN LINES 143 TO 146 SHALL OBLIGATE SELLER TO UPGRADE/REPAIR OR
- 147. REPLACE THE SEPTIC SYSTEM, UNLESS OTHERWISE AGREED TO IN THIS PURCHASE AGREEMENT
- 148. BUYER HAS RECEIVED THE WELL DISCLOSURE STATEMENT OR A STATEMENT THAT NO WELL EXISTS ON THE PROPERTY
- 149. AND A SEPTIC SYSTEM DISCLOSURE STATEMENT OR A STATEMENT THAT NO SEPTIC SYSTEM EXISTS ON OR SERVES THE
- 150. PROPERTY, AS REQUIRED BY MINNESOTA STATUTES.

- 151. SELLER WARRANTS THAT CENTRAL AIR-CONDITIONING, HEATING, PLUMBING AND WIRING SYSTEMS USED AND LOCATED ON
- 152. SAID PROPERTY WILL BE IN WORKING ORDER ON DATE OF CLOSING, EXCEPT AS NOTED IN THIS AGREEMENT
- 153. BUYER HAS THE RIGHT TO A WALK-THROUGH REVIEW OF THE PROPERTY PRIOR TO CLOSING, TO ESTABLISH THAT THE
- 154. PROPERTY IS IN SUBSTANTIALLY THE SAME CONDITION AS OF THE DATE OF PURCHASE AGREEMENT. SELLER AGREES
- 155. TO NOTIFY BUYER IMMEDIATELY IN WRITING OF ANY SUBSTANTIVE CHANGES FROM ANY PRIOR REPRESENTATION
- 156. REGARDING THE PHYSICAL CONDITION OF THE PROPERTY.
- 157. BUYER ACKNOWLEDGES THAT NO ORAL REPRESENTATIONS HAVE BEEN MADE REGARDING POSSIBLE PROBLEMS OR
- 158. WATER IN BASEMENT OR DAMAGE CAUSED BY WATER OR ICE BUILDUP ON ROOF OF THE PROPERTY, AND BUYER RELIES
- 159. SOLELY IN THAT REGARD ON THE FOLLOWING STATEMENT BY SELLER:
- 160. SELLER HAS / HAS NOT HAD A WET BASEMENT AND HAS / HAS NOT HAD ROOF, WALL OR CEILING DAMAGE CAUSED BY WATER
- 161. OR ICE BUILDUP. BUYER HAS / HAS NOT RECEIVED A SELLER'S PROPERTY DISCLOSURE STATEMENT OR A SELLER'S
- 162. DISCLOSURE ELECTION FORM. BUYER HAS RECEIVED THE INSPECTION REPORTS, IF REQUIRED BY MUNICIPALITY.

163. **NOTICE**

164. Paul Belkholm is Seller's Agent Buyer's Agent / Dual Agent / Facilitator

165. Hovy Street Builders is Seller's Agent / Buyer's Agent / Dual Agent / Facilitator

166. _____

167. _____

168. **THIS NOTICE DOES NOT SATISFY MINNESOTA STATUTORY AGENCY DISCLOSURE REQUIREMENTS.**

- 169. **DUAL AGENCY REPRESENTATION**
- 170. PLEASE CHECK ONE OF THE FOLLOWING SELECTIONS:
- 171. Dual Agency representation **DOES NOT** apply in this transaction. Disregard lines 172-185.
- 172. Dual Agency representation **DOES** apply in this transaction. Complete the disclosure in lines 173-185.
- 173. Broker represents both the Seller(s) and the Buyer(s) of the property involved in this transaction, which creates a dual agency. This
- 174. means that Broker and its salespersons owe fiduciary duties to both Seller(s) and Buyer(s). Because the parties may have conflicting
- 175. interests, Broker and its salespersons are prohibited from advocating exclusively for either party. Broker cannot act as a dual agent in this
- 176. transaction without the consent of both Seller(s) and Buyer(s). Seller(s) and Buyer(s) acknowledge that:
- 177. (1) confidential information communicated to Broker which regards price, terms, or motivation to buy or sell will remain confidential
- 178. unless Seller(s) or Buyer(s) instructs Broker in writing to disclose this information. Other information will be shared;
- 179. (2) Broker and its salespersons will not represent the interest of either party to the detriment of the other; and
- 180. (3) within the limits of dual agency, Broker and its salespersons will work diligently to facilitate the mechanics of the sale;
- 181. With the knowledge and understanding of the explanation above, Seller(s) and Buyer(s) authorize and instruct Broker and its
- 182. salespersons to act as dual agents in this transaction.
- 183. _____ (Seller)
- 184. _____ (Buyer)
- 185. _____ (Buyer)

Handwritten signatures and initials at the bottom of the page, including "CARRIE HUNTER" and other illegible marks.

ARBITRATION DISCLOSURE AND RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT

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ARBITRATION DISCLOSURE

You have the right to choose whether to have any disputes about the physical condition of the property that you are buying a settling decided by binding arbitration or by a court of law. By agreeing to binding arbitration you give up your right to go to court. By signing the RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT ("ARBITRATION AGREEMENT") below, you agree to binding arbitration under the Residential Real Property Arbitration System ("Arbitration System") administered by Construction Arbitration Services, Inc. (CAS) and endorsed by the Minnesota Association of REALTORS® (MAR). The ARBITRATION AGREEMENT is enforceable only if it is signed by all buyers, sellers, and licensees representing or assisting the seller and the buyer. The ARBITRATION AGREEMENT is not part of the purchase agreement. Your purchase agreement will still be valid whether or not you sign the ARBITRATION AGREEMENT.

The Arbitration System is a private dispute resolution system offered as an alternative to the court system. It is no government sponsored. CAS and the MAR jointly adopt the rules that govern the Arbitration System. CAS and the MAR are not affiliated. Under the ARBITRATION AGREEMENT you must use the arbitration services of CAS.

All disputes about or relating to the physical condition of the property are subject to arbitration under the ARBITRATION AGREEMENT. This includes claims of fraud, misrepresentation, warranty and negligence. Nothing in this Agreement limits other rights you may have under Minnesota Statutes §27A (statutory new home warranties) or under private contracts for warranty coverage. An agreement to arbitrate does not prevent a party from contacting the Minnesota Department of Commerce, the state agency that regulates the real estate profession, about licensee compliance with state law.

The administrative fee for the Arbitration System varies depending on the amount of the claim, but it is more than initial court filing fees. In some cases, conciliation court is cheaper than arbitration. The maximum claim allowed in conciliation court is \$7,500. This amount is subject to future change. In some cases, it is quicker and less expensive to arbitrate disputes than to go to court, but the time to file your claim and pre-hearing discovery rights are limited. The right to appeal an arbitrator's award is very limited compared to the right to appeal a court decision.

A request for arbitration must be filed within 24 months of the date of the closing on the property or else the claim cannot be pursued. In some cases of fraud, a court or arbitrator may extend the 24 month limitation period provided herein.

A party who wants to arbitrate a dispute files a Demand, along with the appropriate administrative fee, with CAS. CAS notifies the other party, who may file a response. CAS works with the parties to select and appoint an arbitrator to hear and decide the dispute. A three-arbitrator panel will be appointed instead of a single arbitrator at the request of any party. The party requesting a panel must pay an additional fee. Arbitrators have backgrounds in law, real estate, architecture, engineering, construction or other related fields. Arbitration hearings are usually held at the home site. Parties are notified about the hearing at least 14 days in advance. A party may be represented by a lawyer at the hearing if he or she gives 5 days advance notice to the other party and to CAS. Each party may present evidence, including documents or testimony by witnesses. The arbitrator must make any award within 30 days from the final hearing date. The award must be in writing and may provide any remedy the arbitrator considers just and equitable that is within the scope of the parties' agreement. The arbitrator does not have to make findings of fact that explain the reason for granting or denying an award. The arbitrator may require the party who does not prevail to pay the administrative fee.

This Arbitration Disclosure provides only a general description of the Arbitration System and a general overview of the Arbitration System rules. For specific information regarding the administrative fee, please see the Fee Schedule located in the CAS Rules. Copies of the Arbitration System rules are available from CAS by calling (800) 777-8110 Ext. 509 or on the web at www.cas-usa.org or from your REALTOR®. If you have any questions about arbitration, call CAS at (800) 777-8110 Ext. 509 or consult a lawyer.

THIS IS AN OPTIONAL, VOLUNTARY AGREEMENT. READ THE ARBITRATION DISCLOSURE ABOVE IN FULL BEFORE SIGNING.

RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT

For the property located at XXX Hwy 65 S

City of Mora, County of Kanabec, State of Minnesota.

Any dispute between the undersigned parties, or any of them, about or relating to the physical condition of the property covered by the purchase agreement dated June 9, 2004, including claims of fraud, misrepresentation, warranty and negligence, shall be settled by binding arbitration. Construction Arbitration Services, Inc. shall be the arbitration service provider. The rules, in effect at the time the Demand for arbitration is filed, adopted by Construction Arbitration Services, Inc. and the Minnesota Association of REALTORS® shall govern the proceeding(s). This agreement shall survive the delivery of the deed or contract for deed in the purchase agreement. This Agreement is only enforceable if all buyers, sellers and licensees representing or assisting the buyers and sellers have agreed to arbitrate as acknowledged by signatures below.

Handwritten signatures and dates for Linda M. Roholt (6/15/04), Connie Rosendahl (7/8/04), Edina Realty (6-15-04), Paul Belkholm, and Ivory Street Builders.

THE RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT IS A LEGALLY BINDING CONTRACT BETWEEN BUYERS, SELLERS AND LICENSEES. IF YOU DESIRE LEGAL ADVICE CONSULT A LAWYER.

MIN:ADRAA (2/03)

X Karen M. Erickson, X KAREN M. ERICKSEN

Handwritten signature of Ronald R. Roholt

PURCHASE AGREEMENT

186. Address XXX Hwy 86 South, Mora, MN 55051

187. Page A Date June 9, 2004

188. I ACKNOWLEDGE THAT I HAVE RECEIVED AND HAD THE OPPORTUNITY TO REVIEW THE ARBITRATION DISCLOSURE AT
189. RESIDENTIAL REAL PROPERTY ARBITRATION AGREEMENT.

190. SELLER(S) _____ BUYER(S) [Signature] Pres
191. SELLER(S) _____ BUYER(S) Paul Belkholm, Inc

192. OTHER _____
193. _____
194. _____
195. _____
196. _____

197. Attached are other addenda which are made a part of this Purchase Agreement. (Enter total number of pages of this Purchase
198. Agreement, including addenda, on line two (2) of page one (1).)

199. I, the owner of the property, accept this Agreement and
200. authorize the listing broker to withdraw said property from
201. the market, unless instructed otherwise in writing.
202. I have reviewed all pages of this Purchase Agreement.

I agree to purchase the property for the price and in accordance
with the terms and conditions set forth above.
I have reviewed all pages of this Purchase Agreement.

203. If checked, this Agreement is subject to attached
204. Counteroffer Addendum.

205. Linda M. Roholt 6/15/04 [Signature] Pres 6/16/04
(Seller's Signature) (Date) (Buyer's Signature) (Date)

206. Linda M. Roholt 6/15/04 Paul Belkholm, Inc.
(Seller's Printed Name) (Buyer's Printed Name)

207. _____ (Social Security Number - optional) _____ (Marital Status)
 _____ (Social Security Number - optional) _____ (Marital Status)

208. Connie Rosendahl 7/6/04 Paul Belkholm, Inc 6/16/04
(Seller's Signature) (Date) (Buyer's Signature) (Date)

209. Karen Erickson MAREN ERICKSEN 7-8-04 Paul Belkholm, Inc
(Seller's Printed Name) (Buyer's Printed Name)

210. Harlen L. Rosendahl _____
(Social Security Number - optional) (Marital Status) (Social Security Number - optional) (Marital Status)

211. FINAL ACCEPTANCE DATE 7-14-04

212. THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYERS AND SELLERS.
210. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL.

Ronald R. Roholt
Ronald R. Roholt

Edina Realty

counter offer addendum
AMENDMENT TO
PURCHASE AGREEMENT

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1. Date June 15, 2004

- 2. The undersigned parties to a Purchase Agreement dated June 9, 2004 pertaining to
- 3. the purchase and sale of the property at xxx Hwy 105 S See attached Legal
- 4. hereby mutually agree to amend said Purchase Agreement as follows; ~~to all of the~~ descript
- 5. Buyer to provide additional \$9,000
- 6. non-refundable earnest money payable to
- 7. Sellers in exchange for sellers taking
- 8. the property off the market during
- 9. prime summer months. Sellers reserve
- 10. the right to continue to market the
- 11. property for back-up offers only.
- 12. In the event of PA cancellation all
- 13. data related to Buyer's feasibility
- 14. study (per vacant land addendum)
- 15. becomes property of the sellers.
- 16. Buyer understands that crop rights are
- 17. reserved to the tenant and Buyer assumes
- 18. responsibility for damage they cause to crops.
- 19. Buyer to purchase title insurance at
- 20. Buyer's expense.
- 21. Sellers have removed the First right
- 22. of refusal of Joe Erickson + Todd Kruke
- 23. _____
- 24. _____
- 25. _____
- 26. _____
- 27. _____
- 28. _____
- 29. All other terms and conditions of the Purchase Agreement to remain the same.

cel
KQ
RPR

30. Karen M. Erickson (Seller) [Signature] (Buyer)

31. Ronald R. Kruke (Seller) [Signature] (Buyer)

32. Lorraine S. Rosendahl (Seller)

THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYERS AND SELLERS.
IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL

33. Ronald R. Kruke 7/14/04

cel
KQ
RPR



VACANT LAND DISCLOSURE STATEMENT

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1. Date MAY 11 2004
 2. Page 1 of 17 Pages

3. **THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF THE SELLER'S KNOWLEDGE.**
 4. NOTICE: This disclosure is not a warranty or a guaranty of any kind by the Seller(s) or loanee(s) representing or assisting any party(s) in the transaction.

5. **INSTRUCTIONS TO THE BUYER:** Buyers are encouraged to thoroughly inspect the property personally or have it inspected by a third party, and to inquire about any specific areas of concern. NOTE: If Seller answers NO to any of the questions listed below, it does not necessarily mean that it does not exist on the property. NO may mean that the Seller is unaware that it exists on the property.

6. **INSTRUCTIONS TO THE SELLER:** (1) Complete this form yourself. (2) Consult prior disclosure statement(s) and/or inspection report(s) when completing this form. (3) Describe conditions affecting the property to the best of your knowledge. (4) Attach additional pages with your signature if additional space is required. (5) Answer all questions. (6) If any items do not apply, write "NA" (not applicable).

11. Property located at 4 miles South of Mora, MN on Hwy 65
 12. City of MORA County of KANABEC State of MINNESOTA

13. **A. GENERAL INFORMATION**
 14. (1) When did you purchase the property?
 15. (2) Type of Title Evidence: Abstract Registered (Torrens)
 16. Location of Abstract: Plaza Park, Park, White Park, MN
 17. Is there an existing Owner's Title Insurance policy?
 18. (3) Has the land been surveyed? Yes No
 19. Year surveyed: 2001 Yes No
 20. (4) What company/person performed the survey? WESTWOOD KESTEN
 21. Name SA CLARA Address SA CLARA Phone 253-9495
 22. (5) Is this platted land? Yes No
 23. If "Yes",
 24. Has the plat been recorded? Yes No
 25. Do you have a certificate of survey in your possession? Yes No
 26. If "Yes":
 Who completed the survey? _____ When? _____
 27. (6) Are you aware of any property markers on the property? Yes No
 28. If "Yes", give details: Survey stakes & 40" steel posts
 29. To your knowledge, are there:
 30. (7) Encroachments? Yes No
 31. (8) Easements, other than utility or drainage easements? Yes No
 32. (9) Is the property located in a designated flood plain? Yes No
 33. (10) Has there ever been a flood or other disaster at the property? Yes No
 34. (11) Are you in possession of prior vacant land disclosure statement(s)? (If yes, please attach) Yes No
 35. (12) Comments: _____
 36.

37. **B. USE RESTRICTIONS AND FINANCING**
 38. (1) To your knowledge, do any of the following types of covenants, conditions, reservations or restrictions affect the land?
 39. (a) Subdivision or other recorded covenants, conditions or restrictions? Yes No
 40. (b) Association requirements or restrictions? Yes No
 41. (c) A right of first refusal to purchase? Yes No
 42. (d) Reservations? Yes No
 43. (e) Department or Natural Resources? Yes No
 44. (f) Watershed? Yes No
 45. (g) Local municipality? Yes No
 46. (2) If any of the above questions [B(1)] are answered "Yes" list which written copies of these covenants, conditions, reservations, or restrictions that you have? As shown on the 4/21/02 recorded across the street
 47. End of the property
 48. (3) Have you ever received notice from any person or authority as to any breach of any of these covenants, conditions, reservations or restrictions? Yes No
 49. If "Yes", describe: _____
 50. _____
 51. _____
 52. _____
 53. (4) To your knowledge, is this property approved for FHA financing? Yes No

54. **C. CONDITION OF THE PROPERTY** To your knowledge:
 55. (1) Are there any structures, improvements, emblements, or personal property included in the sale? Yes No
 56. If "Yes", list all items: _____
 57. _____
 58. Are there any problems or defects with any of the above items? Yes No
 59. If "Yes", describe all problems and defects: _____
 60. _____
 61. (2) Were there any previous structures on the property? Yes No
 62. (3) Are there any buried storage tanks, or buried debris or waste on the property? Yes No
 63. If "Yes", give details: old barn house was removed & now buried
 64. township parcels
 65. (4) Are there any hazardous or toxic substances or wastes in, on or affecting this property? Yes No
 66. If "Yes", give details: _____
 67. _____
 68. (5) Have any soils tests been performed? Yes No
 69. When? _____ By whom? _____
 70. Results? _____
 71. (6) Are there any settling or soil movement problems on or affecting this property? Yes No
 72. If "Yes", give details: _____
 73. _____
 74.



VACANT LAND
DISCLOSURE STATEMENT

76. Page 2 of 2 Pages

76. THE INFORMATION DISCLOSED IS GIVEN TO THE BEST OF THE SELLER'S KNOWLEDGE.

77. Property located at _____

78. C. **CONDITION OF THE PROPERTY CONTINUED** To your knowledge:

79. (7) Are there any dead or diseased trees? Yes No
80. If "Yes", give details: Several changes in wood lots

81. _____

82. (8) Are there any insect/animal/pest infestations? Yes No

83. (8) Other? _____

84. D. **UTILITIES** To your knowledge:

85. (1) Have any percolation tests been performed? Yes No

86. When? _____ By whom? _____

87. Results? _____

88. _____

89. (2) Are any of the following presently existing within the Property?

90. (a) Connection to public water Yes No

91. (b) Connection to public sewer Yes No

92. (c) Connection to private water system off property Yes No

93. (d) Connection to electric utility Yes No

94. (3) Private Sewer System Disclosure: (A Private Sewer System Disclosure is required by Minn. Statutes 115.05)

95. Check appropriate box

96. The seller does not know of a private sewer system on or serving the above described real property.

97. There is a private sewer system on or serving the above described real property. See Private Sewer System Disclosure.

98. There is an abandoned private sewer system on the above described real property. See Private Sewer System Disclosure.

99. (4) Private Well Disclosure: (A Well Disclosure Statement and Certificate are required by Minnesota Statutes 1031.235)

100. Check appropriate box

101. The seller certifies that the seller does not know of any wells on the above described real property.

102. The seller certifies there are one or more wells located on the above described real property. See Well Disclosure Statement.

103. Are there any wells serving the above described property that are not located on the property? Yes No

104. Date well water last tested for contaminants: N/A Test results attached? N/A Yes No

105. Comments: _____

106. To your knowledge, is this property in a Special Well Construction Area? Yes No

107. Contaminated Well: Is there a well on or serving the property containing contaminated water? Yes No

108. (5) Are any of the following existing at the boundary of the property?

109. (a) Public water system access Yes No

110. (b) Private water system access Yes No

111. (c) Electric service access Yes No

112. _____

113. E. **OTHER MATTERS**

114. _____

115. (1) To your knowledge, are there any landfills or waste disposal sites within two (2) miles of the property? Yes No

116. If "Yes", state their locations: _____

117. _____

118. (2) To your knowledge, is there anything else that may materially and adversely affect the property?
e.g., including but not limited to, pending claims or litigation, notice from any governmental authority of violation of any law or regulation, proposed zoning changes, street changes, threat of condemnation, grave sites?
Yes No

119. If "Yes", give details: _____

120. _____

121. _____

122. _____

123. LISTING BROKER AND LICENSEES MAKE NO REPRESENTATIONS AND ARE
124. NOT RESPONSIBLE FOR ANY CONDITIONS EXISTING IN THE PROPERTY.

125. K. **SELLER'S STATEMENT:** (To be signed at time of listing)

126. The Seller(s) hereby states the condition of the property to be as stated above and authorizes any Licensee(s) representing or assisting any
127. party(s) in this transaction to provide a copy of this statement to any person or entity in connection with any actual or anticipated
128. sale of the property.

129. [Signature] [Signature]
(Seller) (Date) (Seller) (Date)

130. L. **BUYER'S ACKNOWLEDGMENT:** (To be signed at time of purchase agreement)

131. I/We, the Buyer(s) of the property acknowledge receipt of the Vacant Land Disclosure Statement and agree that no
132. representations regarding the condition of the property have been made other than those made above.

133. [Signature] [Signature]
(Buyer) (Date) (Buyer) (Date)

134. M. **SELLER'S ACKNOWLEDGMENT:** (To be signed at time of purchase agreement)

135. AS OF THE DATE BELOW, I/We, the Seller(s) of the property, state that the condition of the property is the same, except
136. changes as indicated above which have been initialed and dated.

137. [Signature] [Signature] [Signature]
(Seller) (Date) (Seller) (Date)

138. ORIGINAL COPY TO LISTING BROKER; COPIES TO SELLER, BUYER, SELLING BROKER

MN:VLD5-2 (8/02) [Signature] 7/8/04
[Signature] 7/14/04

**ADDENDUM TO
PURCHASE AGREEMENT**

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1. Date 8/27/04

2. Page _____

3. Addendum to Purchase Agreement between parties dated June 9, 2004 pertaining to the purchase

4. and sale of the property at Hwy 65, Mora, Kandake Co.
5. MLS 2268963

6. _____
7. Paul Belkholm, Inc. (the buyer) hereby
8. removes all contingencies from above purchase
9. agreement.

10. _____
11. Closing will be Sept 30, 2004 per
12. the purchase agreement.

13. _____
14. _____
15. _____
16. _____
17. _____
18. _____
19. _____
20. _____
21. _____
22. _____
23. _____
24. _____
25. _____
26. _____
27. _____
28. _____
29. _____
30. _____
31. _____
32. _____
33. _____

34. Carol R. Roberts 8/29/04

35. Constance Robert 8/29/04 Paul Belkholm, Inc 8/27/04

36. Karen M. Erickson 8/29/04 Paul Belkholm, Inc 8/27/04

37. Connie L. Rosendahl 8/29/04

**THIS IS A LEGALLY BINDING CONTRACT BETWEEN BUYERS AND SELLERS.
IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT AN APPROPRIATE PROFESSIONAL**

38. MN-APA (9/00) Harlan L. Rosendahl

EXHIBIT C

L. SETTLEMENT CHARGES				PAID FROM BORROWERS FUNDS AT SETTLEMENT	PAID FROM SELLER'S FUNDS AT SETTLEMENT
700. TOTAL COMMISSION Based on Price	\$	422,972.00 @ 6.0000 %	25,378.32		
Division of Commission (line 700) as Follows:					
701. \$ 25,378.32	to	Edina Realty			
702. \$	to				25,378.32
703. Commission Paid at Settlement					214.00
704. Compliance/Admin. Fee		to Edina Realty			
800. ITEMS PAYABLE IN CONNECTION WITH LOAN					
801. Loan Origination Fee	%	to			
802. Loan Discount	%	to			
803. Appraisal Fee		to			
804. Credit Report		to			
805. Lender's Inspection Fee		to			
806. Flood Certification Fee		to			
807. Document Preparation Fee		to			
808. Underwriting Fee					
809. Commitment Fee					
810. Tax Service Fee					
811. Processing Fee					
900. ITEMS REQUIRED BY LENDER TO BE PAID IN ADVANCE					
901. Interest From		to			
902. MIP Totals for Life		to			
903. Hazard Insurance					
904.					
905.					
1000. RESERVES DEPOSITED WITH LENDER					
1001. Hazard Insurance	months @ \$		per month		
1002. Mortgage Insurance	months @ \$		per month		
1003. Association Dues	months @ \$		per month		
1004. County Taxes	months @ \$		per month		
1006. Assessments	months @ \$		per month		
1006.	months @ \$		per month		
1007.	months @ \$		per month		
1008. Aggregate Accounting Adjust.	months @ \$		per month		
1100. TITLE CHARGES					
1101. Settlement or Closing Fee	to	Registered Abstracters, Inc.			400.00
1102. Abst. Continuation (Estimate)	to	Registered Abstracters, Inc.			1,000.00
1103. Title Examination	to	Registered Abstracters, Inc.			
1104. Title Insurance Binder	to				
1105. Document Preparation	to				
1106. Disbursement Fee	to	Registered Abstracters, Inc.			
1107. Attorney's Fees	to				
<i>(includes above item numbers:)</i>					
1108. Title Insurance	to	Registered Abstracters, Inc.			
<i>(includes above item numbers:)</i>					
1109. Lender's Coverage	\$				
1110. Owner's Coverage	\$				90.00
1111. Special Assessment Search	to	Registered Abstracters, Inc.			
1112. Name Search		Registered Abstracters, Inc.			
1113. Plat Drawing		Registered Abstracters, Inc.			
1114. ARM Endorsement		Registered Abstracters, Inc.			
1115. Balloon Endorsement		Registered Abstracters, Inc.			
1116. Zoning Endorsement		Registered Abstracters, Inc.			
1117. Priority Inspection/Photos		Registered Abstracters, Inc.			
1118.					
1200. GOVERNMENT RECORDING AND TRANSFER CHARGES					
1201. Recording Fees: Deed \$		Mortgage \$		Releases \$	
1202. City/County Tax/Stamps: Deed			Mortgage	Mtg. Reg. Tax	
1203. State Tax/Stamps: Deed		1,395.81: Mortgage		St. Deed Tax	1,395.81
1204. Conservation Fees		Kenbec County			10.00
1205. Recording Service Fee	to	Registered Abstracters, Inc.			
1300. ADDITIONAL SETTLEMENT CHARGES					
1301. Survey	to				
1302. Pest Inspection	to				
1303. Courier/Overnight Fees		Registered Abstracters, Inc.			
1304.					
1305.				0.00	28,488.13
1400. TOTAL SETTLEMENT CHARGES (Enter on Lines 103, Section J and 502, Section K)					

Preliminary Hud - Subject to change-Numbers are ESTIMATES ONLY

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A. U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT SETTLEMENT STATEMENT	B. TYPE OF LOAN: 1. <input type="checkbox"/> FHA 2. <input type="checkbox"/> FmHA 3. <input checked="" type="checkbox"/> CONV. UNINS. 4. <input type="checkbox"/> VA 5. <input type="checkbox"/> CONV. INS.				
	6. FILE NUMBER: T04-09016			7. LOAN NUMBER:	
	8. MORTGAGE INS CASE NUMBER:				
	C. NOTE: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "POC" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.				

D. NAME AND ADDRESS OF BORROWER: Paul Belkholm, Inc. 1331 Ivory Street Mora, MN 55051	E. NAME AND ADDRESS OF SELLER: Linda M. Roholt, Ronald R. Roholt Karen M. Erickson Connie Rosendahl, Harland L. Rosendahl	F. NAME AND ADDRESS OF LENDER: Lakeland Construction Finance, LLC 7830 Main Street, Suite # 210 Maple Grove, MN 55359
G. PROPERTY LOCATION: Vacant Land Mora, MN 55051 Kanabec County, Minnesota P/O S1/2, SE1/4 35-38-24 & NE1/4 2-38-24	H. SETTLEMENT AGENT: 41-1556450 Registered Abstracters, Inc. PLACE OF SETTLEMENT 2115 North Third Avenue Anoka, MN 55303	I. SETTLEMENT DATE: September 28, 2004

J. SUMMARY OF BORROWER'S TRANSACTION	
100. GROSS AMOUNT DUE FROM BORROWER:	
101. Contract Sales Price	422,972.00
102. Personal Property	
103. Settlement Charges to Borrower (Line 1400)	
104.	
105.	
<i>Adjustments For Items Paid By Seller in advance</i>	
106. Association Dues	
107. County Taxes 09/28/04 to 01/01/05	503.24
108. Assessments	
109.	
110.	
111.	
112.	
120. GROSS AMOUNT DUE FROM	
200. AMOUNTS PAID	
201. Deposit o.	5,000.00
202. Principal A	
203. Existing loa	
204.	
205.	
206.	
207.	
208.	
209.	
<i>Adjustments For Items Unpaid By Seller</i>	
210. Association Dues	
211. County Taxes	
212. Assessments	
213.	
214.	
215.	
216.	
217.	
218.	
219.	
220. TOTAL PAID BY/FOR BORROWER	5,000.00
300. CASH AT SETTLEMENT FROM/TO BORROWER:	
301. Gross Amount Due From Borrower (Line 120)	423,475.24
302. Less Amount Paid By/For Borrower (Line 220)	(5,000.00)
303. CASH (X FROM) (TO) BORROWER	418,475.24

K. SUMMARY OF SELLER'S TRANSACTION	
400. GROSS AMOUNT DUE TO SELLER:	
401. Contract Sales Price	422,972.00
402. Personal Property	
403.	
404.	
405.	
<i>Adjustments For "er in advance</i>	
406. Association	
407. Co	
420. GROSS AMOUNT DUE TO SELLER	422,972.00
500. REDUCTIONS IN AMOUNT DUE TO SELLER:	
501. Excess Deposit (See Instructions)	
502. Settlement Charges to Seller (Line 1400)	28,488.13
503. Existing loan(s) taken subject to	
504. Payoff First Mortgage	
505. Payoff Second Mortgage	
506. Deposit retained by seller	5,000.00
507. Division of Proceeds to Connie & Harland Rosendahl	131,335.70
508.	
509.	
<i>Adjustments For Items Unpaid By Seller</i>	
510. Association Dues	
511. County Taxes 06/30/04 to 09/28/04	476.76
512. Assessments	
513.	
514.	
515.	
516.	
517. Division of Proceeds to Karen Erickson	131,335.70
518. Division of Proceeds to Linda & Ronald Roholt	126,335.71
519.	
520. TOTAL REDUCTION AMOUNT DUE SELLER	422,972.00
600. CASH AT SETTLEMENT TO/FROM SELLER:	
601. Gross Amount Due To Seller (Line 420)	422,972.00
602. Less Reductions Due Seller (Line 520)	(422,972.00)
603. CASH (TO) (FROM) SELLER	0.00

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By signing page 2 of this statement, the signatories acknowledge receipt of a completed copy of page 1 of this two page statement.

Preliminary Hud - Subject to change-Numbers are ESTIMATES ONLY

UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA

IN RE:

Harlan L. Rosendahl and
and Connie I. Rosendahl,

Debtors.

ORDER

BKY 04-42758

At Minneapolis, Minnesota.

The above-entitled case having come before the undersigned Judge of the United States Bankruptcy Court on Debtor's motion, notice having been duly given, and appearances noted in the record, and based on the files and record herein, the Court now hereby orders as follows:

That the above-referenced Debtors are authorized to convey to Paul Belkholm, Inc. certain nonexempt real property located in Kanabec County, Minnesota and as more fully stated in the attached legal description.

The debtors, or their closing agent, shall remit all of their share of the closing proceeds, after allowance for closing and sale costs, to Michael Farrell, Chapter 13 trustee.

United States Bankruptcy Judge

Dated:

The Northeast Quarter of Section 2, Township 38, Range 24, Kanabec County, Minnesota, except the North 660 feet of the West 660 feet of the Northwest Quarter of the Northeast Quarter of Section 2, Township 38, Range 24 AND the South Half of Southeast Quarter of Section 35, Township 39, Range 24, Kanabec County, Minnesota, excepting therefrom the following tracts:

PARCEL 1: That part of the Southwest Quarter of the Southeast Quarter of Section 35, Township 39, Range 24, described as follows: Commencing at a point where the North line of said Southwest Quarter of Southeast Quarter intersects the Easterly right-of-way line of Trunk Highway 65, thence South along said Easterly right-of-way line a distance of 247.5 feet, thence East and parallel with the North line of said Southwest Quarter of Southeast Quarter a distance of 264 feet to the point of beginning of the tract to be herein conveyed, thence continuing East along the same course a distance of 150 feet, thence South and parallel to the Easterly right-of-way line of Trunk Highway 65 a distance of 207 feet, thence West and parallel to the North line of said Southwest Quarter of the Southeast a distance of 150 feet, more or less, to a point on a line passing through the point of beginning and lying parallel to the East right-of-way line of Trunk Highway Highway 65, thence North along said last line to the point of beginning.

PARCEL 2: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the East right-of-way line of Trunk Highway #65, thence running East along the North line of said forty a distance of 12 rods for the point of beginning of the tract to be hereby conveyed, thence continuing East along the North line of said forty a distance of 12 rods, thence running South, parallel to the East right-of-way line of trunk highway #65 a distance of 15 rods, thence running West, parallel with the North line of said forty a distance of 12 rods to a point 12 rods East of the East right-of-way line of Trunk Highway #65, thence running North, parallel with the East right-of-way line of Trunk Highway #65 to the point of beginning, said tract being a part of the Southwest Quarter of the Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota.

PARCEL 3: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter of Section 35, Township 39, Range 24, intersects the East right-of-way line of Trunk Highway #65 for the point of beginning, thence East along said North right-of-way line a distance of 12 rods, thence South, parallel with said East right-of-way line a distance of 15 rods, thence West, parallel with the North line of said Southwest Quarter of Southeast Quarter a distance of 12 rods to the East right-of-way line of said Trunk Highway #65, thence North along the East right-of-way line of said Trunk Highway #65 to the point of beginning, said tract being part of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24.

PARCEL 4: Starting at a point on the North line of the South Half of Southeast Quarter of Section 35, Township 39, Range 24, which said point is 1287 feet East of the point where said North line intersects the Easterly limit of the right-of-way of Trunk Highway 65 as the same is now located and established, thence East along said North line a distance of 1252 feet, more or less, to the East line of the aforesaid Section 35, thence South along said section line a distance of 495 feet, thence West and parallel with the North line of the aforesaid South Half of Southeast Quarter to a point which is directly South of the point of beginning, thence North in a straight line to the place of beginning, except the West 264 feet of the East 760 feet of the above-described tract.

PARCEL 5: That part of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, described as follows: Starting at a point where the North line of said Southwest Quarter of Southeast Quarter intersects the East right-of-way line of Trunk Highway 65, thence running East along the North line of said forty a distance of 54 rods to the point of beginning of the tract to be herein conveyed, thence continuing East along the North line of said forty a distance of 24 rods, thence South and parallel with the East right-of-way line of said Trunk Highway 65 a distance of 22 rods, thence West a parallel with the North line of said forty a distance of 42 rods to a point 36 rods East of the East right-of-way line of Trunk Highway 65, thence North and parallel to the East right-of-way line of Trunk Highway 65 a distance of 7 rods, thence East, parallel to the North line of said forty a distance of 18 rods to a point 54 rods East of the East right-of-way line of Trunk Highway 65, thence North and parallel with the East right-of-way line of Trunk Highway 65 a distance of 15 rods to the point of beginning.

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PARCEL 6: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the East right-of-way line of Trunk Highway #65, thence running East along the North line of said forty a distance of 36 rods for the point of beginning of the tract to be hereby conveyed, thence continuing East along the North line of said forty a distance of 18 rods, thence running South, parallel with the East right-of-way line of said Trunk Highway #65 a distance of 15 rods, thence running West, parallel to the North line of said forty a distance of 18 rods to a point 36 rods East of the East right-of-way line of Trunk Highway #65, thence running North parallel with the East right-of-way line of Trunk Highway #65 to the point of beginning, said tract being a part of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota.

PARCEL 7: Part of the Southwest Quarter of Southeast Quarter of Section 35, Township 39, Range 24, Kanabec County, Minnesota, described as follows: Commencing at a point where the North line of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the Easterly right-of-way line of Trunk Highway #65, thence South along the Easterly right-of-way line of said Trunk Highway #65 a distance of 355 feet to the point of beginning of the property to be herein described, thence North along said Easterly right-of-way line a distance of 107.5 feet, thence East and parallel with the North line of said Southwest Quarter of Southeast Quarter a distance of 264 feet, thence South and parallel to the East right-of-way line a distance of 107.5 feet, thence West 264 feet, more or less, to the point of beginning and there terminating.

PARCEL 8: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the East right-of-way line of Trunk Highway 65, then South along said East right-of-way line 355 feet to the point of beginning of property to be herein described, then continuing South along said East right-of-way line 247 feet, then East and parallel with North line of said Southwest Quarter of Southeast Quarter a distance of 264 feet, thence North and parallel to said East right-of-way line a distance of 247 feet, then straight West 264 feet to point of beginning.

PARCEL 9: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter of Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the East right-of-way line of Trunk Highway 65, thence running East along the North line of said forty a distance of 24 rods, thence South and parallel to the East right-of-way line of said Trunk Highway 65 a distance of 15 rods for the point of beginning of the tract to be herein conveyed, thence continuing South and parallel to the East right-of-way line of said Trunk Highway 65 a distance of seven rods, thence running East and parallel to the North line of said forty 12 rods, thence North and parallel to the East right-of-way line of Trunk Highway 65 seven rods, thence West to the point of beginning, said tract being a part of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota.

PARCEL 10: Starting at a point where the North line of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota, intersects the East right-of-way line of Trunk Highway #65, thence running East along the North line of said forty a distance of 24 rods for the point of beginning of the tract to be hereby conveyed, thence continuing East along the North line of said forty a distance of 12 rods, thence running South, parallel with the East right-of-way line of said Trunk Highway #65 a distance of 15 rods, thence running West, parallel to the North line of said forty a distance of 12 rods to a point 24 rods East of the East right-of-way line of Trunk Highway #65, thence running North, parallel with the East right of way line of Trunk Highway #65 to the point of beginning, said tract being a part of the Southwest Quarter of Southeast Quarter, Section 35, Township 39, Range 24, Kanabec County, Minnesota.

PARCEL 11: Beginning at the Northwest corner of the Southwest Quarter of Southeast Quarter of Section 35, Township 39, Range 24, thence South along the West line of said forty a distance of 8 1/4 feet, thence East and parallel to the North line of said forty a distance of 80 rods, thence North 8 1/4 feet, and thence West 80 rods to the place of beginning, said tract being a part of the Southwest Quarter of Southeast Quarter of Section 35, Township 39, Range 24.

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PARCEL 12: Starting at a point on the North line of the South Half of Southeast Quarter of Section 35, Township 39, Range 24, which said point is 1777 feet East of the point where said North line intersects the Easterly limit of the right-of-way of Trunk Highway 65 as the same is now located and established, thence East along said North line a distance of 264 feet, thence South and parallel with the East line of the aforesaid Section 35 a distance of 495 feet, thence West and parallel with the North line of the aforesaid South Half of Southeast Quarter a distance of 264 feet, thence North in a straight line to the point of beginning, said tract being a part of the Southeast Quarter of Southeast Quarter of Section 35, Township 39, Range 24.